GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

STARRED QUESTION NO:321
ANSWERED ON:16.04.2002
FINANCIAL ASSISTANCE FROM WORLD BANK FOREIGN FINANCIAL INSTITUTIONS FOR PMGSY
NARESH KUMAR PUGLIA;RATTAN LAL KATARIA

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government have approached the World Bank and other foreign financialinstitutions for partly financing the Pradhan Mantri Gram Sadak Yojana (PMGSY);

(b) if so, the amount likely to be required for the project annually;

(c) whether due to inadequate funds for the scheme the target may not be achieved in the next few years;

(d) if so, the facts and details thereof; and

(e) the details of plans formulated to ensure that the target fixed under the scheme is achieved timely?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI M. VENKAIAH NAIDU)

(a) to (e): A Statement is laid on the Table of the House.

The Statement referred to in Reply to the Lok Sabha Starred Question No. 321 admitted for Answer on 16th April, 2002.

(a)to(e) :- The total investment required for attaining the objectives of the Pradhan Mantri Gram Sadak Yojana (PMGSY), viz. to provide road connectivity, through good All-weather roads, to all Unconnected Habitations in the rural areas with population of more than 500 persons, by the year 2007, is currently estimated at Rs.60,000 crore. In addition to the presently available source of funds, viz. 50% share of the Cess on High Speed Diesel (HSD) amounting to approximately Rs.2,500 crore per annum,efforts are underway (so as to fulfil the Programme objectives) to raise additional resources from the current year onwards, which could involve borrowings from, inter alia, the External Funding Agencies.

2. Towards this end, External Funding Agencies, such as the World Bank and the Asian Development Bank, have been approached for providing financial resources to the Programme. While the annual outlay would, inter alia, depend upon the absorption capacity of the respective States and Union Territories, the availability of funds is unlikely to be a constraint in the implementation of the Programme. The PMGSY works are in various stages of implementation in the States and Union Territories.